I. Consultation with Senate Leadership  
Mary Gilly, Academic Council Chair

Update: Chair Gilly updated the committee on several items of interest:

- UCPB will be visited by members of the governor’s staff in May. Questions are expected in advance.
- The Committee of Two has met twice. There was an update at the March Regents’ meeting, but no proposals have emerged yet. The third meeting is scheduled for later this month. Transfer is a legislative priority.
  **Discussion:** Chair Leal asked about the capacity of the campuses to take more transfer students, and Chair Gilly clarified that the goal is to better prepare transfers, not to increase the overall number of transfers. Time to degree after transfer is comparable to 4 year students.
- A discussion at the March Regents meeting explored whether military service should carry academic credit.
- Regent Ortiz-Oakley visited the Academic Council on April 1. Regent Ortiz-Oakley is the President of Long Beach City College. He brings an administrative perspective to issues, and is very engaged in the transfer process to UC.
- UC Path implementation at UCOP has been delayed until the fall as system tests continue.

II. Consent Calendar

   **Action:** The minutes were approved as amended.

III. Systemwide Review Items

1. Draft Guidelines for Pilot Program to Accept Equity for Access to University Facilities or Services (Comments due May 15, 2015)
   **With Bill Tucker, Interim Vice President, Office of Research and Graduate Studies**
   **Issue:** The opportunity to create this program arose last year, with the rescission of the University-Industry Guidelines. Almost immediately upon rescission, OP began receiving calls from campuses inquiring about incubator opportunities. ORGS worked with the Office of General Counsel (OGC) and the Office of the Chief Investment Officer (OCIO) to develop the draft. VP Tucker indicated that the draft guidelines were modeled on the long-standing policy for licensing, and income will be treated similar to that from royalties or patents. This is not an IP transaction, but participants may still benefit from introductions, mentoring, and the like. Precedents include CITRIS at Berkeley and ETTC at Davis.
Discussion: Members asked if the program was local or systemwide, and VP Tucker said the program is voluntary for the campuses; pilot program participation is not mandatory. Members asked how local gatekeeper objectivity would be ensured, and VP Tucker noted that local participants would be responsible for setting up their own oversight, but the program parameters are being determined centrally. Thus, there could be variations by campus within the parameters, but only one variation can operate per campus. Members asked what oversight would be provided centrally, and VP Tucker indicated OGC would fill that role, as it does in the licensing arena. Members asked how space usage optimization guidelines would be interpreted, and VP Tucker responded that the main limitation is that incubators cannot be in bond-funded buildings. Many contracts and grants awardees hope for space in bond-funded buildings, and this plan is not being set up to compete with those practices.

Members asked how this program is expected to interact with the new UC Ventures program. VP Tucker noted that UC Ventures involvement would be step 4 or 5 in a long process, after proving concept, market, and prototype in a local incubator. Since failures will occur at each level and stage, the projects that survive long enough to reach UC Ventures' will have proved their worthiness along the way. Local gatekeepers will be highly trained to evaluate the potential of applicants and their projects; training will be conducted at the campus level.

Members inquired how annual reporting out was to be handled, and VP Tucker indicated that decision has not been made. The focus now is to solicit careful feedback before launching the pilot. Members asked how the pilot would be evaluated, and on what time frame. VP Tucker again indicated that such decisions have not yet been made. He added that financial return criteria may be less applicable here than softer measures of progress such as how the project is advancing through the process. It is expected that most will succeed or fail with 6-12 months.

Action: Members will consult with campus counterparts, and discussion will continue at the May meeting.

2. **Final Review - Proposed Revisions to APM 210-1-d (Review and Appraisal Committees)** (Comments due May 21, 2015)

   **Issue:** UCAAD has redrafted its proposal to improve recognition of diversity-related activities and research in the promotion and review process. The change lists diversity as one topic among many that may be considered meritorious; previous drafts had listed diversity as a fourth category, alongside teaching, research, and service.

   **Action:** The committee elected to support this revision.

3. **Proposed Revisions to APM 360 and 210-4 (Librarians) (Comments due May 15)**

   **Issue:** Academic Personnel has drafted conforming amendments to the APM sections that govern librarians; the amendments conform to changes recently approved by the represented librarians.

   **Action:** Chair Leal will review the item and report back at the May meeting.

4. **Proposed Revisions to Senate Bylaw 182 (UCIE) (Comments due May 15, 2015)**
**Issue:** The University Committee on International Education (UCIE) seeks to expand its charge to include oversight of international students at UC campuses and UC research efforts that involve international partners. Currently, UCIE has authority over non-education abroad program (EAP) international programs.

**Discussion:** Members questioned how UCIE would provide oversight of research with international partners, given that a large fraction of papers currently have international collaborators. Vice Chair White, who represented UCPB on the EAP governing board, noted that the EAP director’s job description is being rewritten and will include some research oversight, too. A more specific definition of “research abroad” is needed. As currently written, one could interpret the document as suggesting that UCIE would somehow provide oversight of all UC research that has international connections, which would cause great concern at UCPB.

Members also noted that helping UC students abroad is a vastly different issue than helping international students at UC campuses; different programs and expertise will be needed. Some members wondered if UCIE could have oversight of official programs and their participants, rather than all international students. Assistance to visiting scholars is not included.

**Action:** Analyst Feer will draft a response for evaluation at the May meeting.

5. **Final Review: UC Policy on Copyright and Fair Use (Comments due, April 24, 2015)**

**Issue:** Previously, UC had several exhaustive policies that overlapped and required significant interpretation. This proposal would change the constellation of separately filed and maintained policies into a single web-based clearinghouse.

**Discussion:** Members were glad to see a clear statement that the University is committed to protecting and defending its employees. Members noted that the website seems user-friendly, but were not convinced that the loss of a single guiding document was an improvement. Others noted that guidance and interpretation are not specifically policy questions. Members wondered what Senate committee has authority in this area and how closely they would be involved in developing and monitoring the website and changes to it. Members also noted that version tracking for the website would be important so that employees could document which version of the rules they are following, even if the website is updated, migrated, etc.

**Action:** Analyst Feer will draft a response for electronic approval.

6. **Final Review - APM 080, Medical Separation (Comments due April 17, 2015)**

**Issue:** The changes are in addition to current procedures, and they seem intended to allow the administration to force a vacancy in case a faculty person is non-responsive to usual contact and review processes.

**Discussion:** Members wondered how the administrator would determine whether a non-respondent employee was unable or unwilling to respond. There seems to be little room for assessment of stroke impacts or of behavioral or mental health problems.

**Action:** UCPB elected not to opine on this item, but will support others’ calls for additional changes or implementation monitoring.
7. **Self-supporting Programs (SSPs)**
   a. **DRAFT SSGPDP Policy (Comments Due April 17, 2015)**
      
      **Issue:** The Academic Planning Council has submitted revisions to the SSP governing policy. The revisions ask SSP applicants to demonstrate that their program will not have any deleterious impacts to state-supported programs.
      
      **Discussion:** Members wondered if a “do no harm” standard was a high enough bar, suggesting that a unique academic benefit should also be required of applicants. Members also speculated how applications could be improved, such as by requiring tables of contents and the inclusion of local review findings.
      
      **Action:** Analyst Feer will draft a response for electronic approval.
   
   b. **UCSD MS Business Analytics**
      
      **UCSC Representative Friedman, Lead Reviewer**
      
      **Discussion:** Members noted that expecting current professors to teach overload was a point of concern. Other concerns include low return-to-aid and that electives could be taken from state-supported programs. Members noted that the program was designed to train managers, not to train people to do the work in question; but managerial training assumes knowledge of the processes, an assumption that has proven false in the past. Members also noted that the application assumed low or no cost access to the Rady facility, which may be possible in the short-term, but long-term could pose problems, and, in any case, is not viewed as a realistic way to assess the cost of the space to be utilized by the new program.
      
      **Action:** Representative Friedman will revise the report.
   
   c. **UCB MS Public Affairs**
      
      **UCSD Representative Betts, Lead Reviewer**
      
      **Discussion:** Concerns include the assumption of significant amounts of summer teaching, reliance on online educational models, and that the first review is not scheduled for eight years. The capstone supervision is not explicated, nor is the physical plant cost analysis detailed enough.
      
      **Action:** Representative Betts will revise the report.
   
   d. **UCD MEPN Nursing (to be assigned)**
      
      *Note: Item not addressed.*

IV. **Chair’s Announcements**

**Gary Leal, UCPB Chair**

**Update:** Chair Leal updated the committee on several items of interest:

- Possible changes to the University’s health care insurance offerings are under investigation. One option is to create an HMO program under UC Care. This significant new program seems unlikely to be implemented for 2016, but it may be ready for roll-out in 2017. Equal access by campus remains a significant concern, and conflict of interest discussions are on-going.
Discussion: Members asked if changes to the self-referral structure of UC Care were being contemplated, and Chair Leal noted that the information is not that specific yet. Members also asked if UC Care products would be offered outside of UC, and that decision has yet to be made, but would only occur several years out. Members voiced concern about the decision-making process and evaluative metrics. Chair Leal indicated that current UC Care financials for the PPO program are reasonable given the program's newness.

V. Enrollment Management

Todd Greenspan, Director, Academic Planning, Institutional Research and Academic Planning

Issue: The campuses have submitted revised long-range enrollment plans (LREPs). Overall, there are fewer academic PhDs projected, and more academic masters and graduate professional degrees envisioned. The state has voiced their preference for more California undergraduates, but has been silent on other student categories, such as graduate students and their degrees.

Discussion: Chair Leal asked if there was to be a systemwide plan and how much room for compromise is in the plans. Mr. Greenspan noted that since the state budget is not yet settled, campus projections are just an exercise. Non-resident enrollment goals cannot yet be determined, and the state only wants to fund new enrollments, not pay down over-enrollments. Over-enrollment is concentrated on four campuses: Riverside with 2,300, Davis with 2,000, Santa Cruz with 1,300, and Irvine with 870. A unified approach to dealing with over-enrollment will be sought through negotiations with the campuses. If the budget deal that emerges with the state becomes a four-year deal, then UC’s hands may be relatively tied in this area.

Members asked what contingency plans were being prepared if the state budget allocation remains low, and Mr. Greenspan deferred to the Budget Office. Members wondered what principles the campuses were following when developing the LREPs, and whether formulae for non-residents and return to aid would be useful. Mr. Greenspan reminded members that the APC enrollment principles and those reflected in the rebenching policy still govern UC actions. The challenge is to adapt their operationalization to changing external realities.

Members asked what the next steps were for the LREPs. Mr. Greenspan indicated that the plans would be scaled to match budget realities and then allocation plans for the various student population groups can be determined. Members asked to be included in the scaling discussions, and Mr. Greenspan again deferred to the Budget Office. Members asked if non-resident tuition covered actually covered all of their educational expenses, and Mr. Greenspan said it covers core costs. Another area that needs clarification is how undergraduate and graduate student tuition interact.

VI. Consultation with Office of the Chief Investment Officer: UC Ventures Business Plan

Michele Cucullu, Director, Private Equity

Issue: A draft business plan for UC Ventures is available. An FAQ is being assembled, and a draft of it will also be shared when it is ready. The business plan reflects what OCIO has learned
since September when the Regents approved the program. UC Ventures will be return-focused. Allocated funds total 250M, and 10% has been set aside for local actions. UC-wide investments will be made if warranted over time. That applicants for UC Ventures funds must include a local “syndicate” venture partner which has been pre-approved by OCIO will serve to validate UC’s quality assessment, enhance objectivity, and involve third party capital and expertise. The most successful projects may receive OICO venture capital funds. Next steps are to secure campus buy-in and to recruit UC’s evaluation team.

**Discussion:** Members asked if all $25M would be invested by local authorities. Director Cucullu noted that $25M is the maximum available for investment in a local fund. The goal is to enrich the investment pipeline; new projects are too small for UC Ventures, so they must meet predetermined criteria and the local monies can serve as angel funds. Members asked who would identify the early opportunities at the local level. Director Cucullu indicated that OICO would make those determinations.

Members asked what lessons were learned from their work since September. One lesson learned was that no more than 10% of the fund should be invested in “opportunity” funds. Another lesson learned was that UC’s old practices were cumbersome and opaque. One institution disproportionately targeted tech investments, which was unwise. Another important lesson is to have a firewall between decision makers and inventors. Members asked what the success metrics were for UC Ventures, and Director Cucullu suggested that Cambridge benchmarks and similar standards will be considered for adaptation. In order to assess the program, 5-10 years must elapse so that mature data can be analyzed.

**VII. Budget Update**

*Nelson Peacock, Senior Vice President, Governmental Relations*

**Issue:** SVP Peacock reported that UC efforts are focused on securing additional state funds to off-set the planned tuition increase. Three processes are underway: 1) The Committee of Two continues to work. Lots of background information and data have been shared with the Governor’s office. UC seeks academic quality and stable enrollment planning, while the Governor seems more interested in long-term structural cost adjustments. Online education has proved not to be a fiscal “silver bullet” for students or institutions, and 3 year degree plans rely on extensive summer courses for which Pell grants are not available; student leaders oppose both ideas, as well. Any savings from such programs would be marginal and only realized after large up-front investments. UC hopes to reach a deal by the May revise. UC is asking for the Governor’s offered 4% and $100M. 2) UC continues to lobby legislators directly. President Napolitano has met with 75 separate representatives since December. Electronic advocacy efforts for letter writing campaigns are also being ramped up. 3) UC is interfacing more directly with corporations and philanthropists. Several prominent CEOs have agreed to lobby the governor on UC’s behalf. UC will meet with business roundtables and increase its Op-Ed presence. UC is also meeting with students and parents to unify messaging. Individual philanthropists are also being contacted.

Legislative counter-offers include cuts to the middle class scholarship and steep increases to non-resident tuition (17%); an rapid increase of California undergraduates of 5000/year for three years. Another proposal has a 20% increase for NRT and 10 thousand new students over 5 years, and asks UC to make more pension reforms.
Discussion: Members asked how the UCRP liability had been discussed, and SVP Peacock noted that the governor wants to decrease debt, and the UC is ahead in this area. Prop 2 funds might be available for UCRP, but absent new resources, no significant funding changes are expected. Members noted that the legislature seems more amenable to UC lobbying than the governor. SVP Peacock agreed. Members asked if the well-reported student loan crisis was impacting the discussions. SVP Peacock said that the state double-counts some grants in its aid calculations, which skew this discussion. The legislature understands the disinvestment in UC by the state, but there is no way to restore those cuts at this time. Indeed, the governor vetoed an additional $100M in one-time funding last summer.

Members asked if lessons from other states were impactful in the discussions. SVP Peacock said that UC repeats them, but they are not yet persuasive. The CSU strategy has been to turn away thousands students due to insufficient state support – without comment or punitive responses from the state, yet an additional $600 for UC tuition is considered beyond the pale. Members wondered if the legislature and governor had any understanding of the physical capacity limitations on the campuses.

Members noted that Virginia legislature recently passed a 5-year salary increase plan for its faculty. As UVa is part of the Comparison 8, UC’s faculty total remuneration will continue to decline in comparison. Even if some get their way and remove the privates from the Comp 8, UC will not compare favorably. And given UC’s national market, removing the privates could irreparably harm UC’s standing.

Lastly, members asked how UC plans to convince the governor that excellent academic quality is essential for UC and the state. SVP Peacock referred to the extensive legislative lobbying and the business, parental, media, and philanthropic outreach programs.

VIII. Executive Session

*Note: No notes were taken during executive session.*

Adjournment 3:25.

Minutes prepared by Kenneth Feer, Senior Policy Analyst
Attest: Gary Leal, UCPB Chair